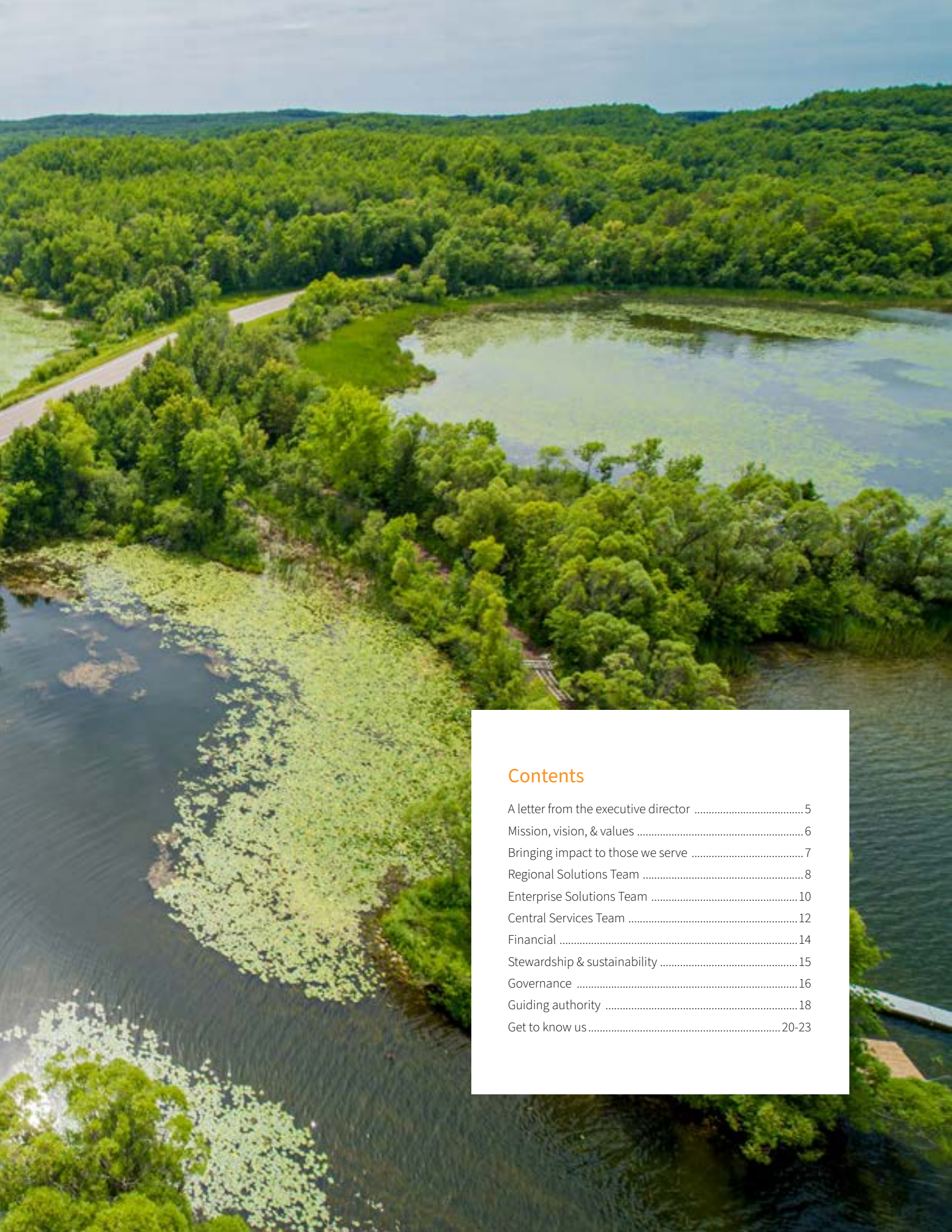


Purposeful Growth & Service

Annual Report 2023



Cuyuna, Minnesota



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Sourcewell Executive Director and CEO Chad Coauette

Letter from the Executive Director

Did you hear the one about the guy who fell out of a tree?

While you may be waiting for the punchline, there isn't one. This isn't a joke. In fact, it's how the Sourcewell we know today got its start.

I can't tell you the number of times I'm in the community and someone poses the question: "What is Sourcewell?" While the answer is quite complex, the roots of who we are run deep, and the branches of this tree continue to flourish and produce even more limbs.

So, let's start at the beginning with the guy in the tree. This guy is former Sourcewell team member Mike Hajek. By trade, Mike was a municipal utility linesman. One day in 1997, Mike had an unfortunate on-the-job accident, and injuries ended his linesman career.

But Mike was never one to take 'no' for an answer. For eight years, Mike served on the North Central Service Cooperative board of directors and had an in-depth knowledge of the organization to later be known as the National Joint Powers Alliance, and later yet – Sourcewell.

Mike's ingenuity exploded into a long-term growth cycle that now sees teams of highly skilled people generating millions of cooperative purchasing dollars across North America. These dollars fuel our organization's ability to grow new services and provide resources and support to the public agencies in our counties.

While Mike officially retired in 2017, his initial vision lives on. Today, this team of teams continues to rally around our core purpose as a self-sustaining organization that enriches lives in our five-county community. We are a mission-first organization that takes great pride in our culture of service.

Just in this last year alone, Sourcewell has experienced:

- A record year of cooperative purchasing sales and a record impact.
- A growing portfolio of solutions for our partners.
- The expansion of a remote workforce, helping Sourcewell to scale the organization for the future.

And we won't stop there. You have my word that Sourcewell will continue to listen deeply to our partners on the most pressing needs of our communities, and strategically reinvest in the areas that will make the biggest impact throughout the region.

So, you could say the story about the guy in the tree has planted fruitful seeds that continue to be harvested more than two decades later. I can't wait to see where we go from here as we work together to plant seeds of change.



Dr. Chad Coauette, Ph.D.
Executive Director/CEO

Dedicated to service

As a service organization, Sourcewell exists to support public agencies as they serve their constituents. More than words, these principles drive our future and guide the decisions and day-to-day actions of our staff to benefit those we serve.

Mission

We are a force multiplier.

Vision

Provide leading solutions that empower community success.

Values

Seek

Be curious by listening to the needs of others, professionally challenging ideas, looking for effective solutions, and promoting innovation and individual growth.

Empower

Be accountable and liberate others by maximizing individual strengths, encouraging transparency, removing barriers, promoting self-awareness, and expecting high standards of conduct.

Impact

Be a difference maker by providing exceptional service, transforming potential into action, fostering a positive culture, and acting with integrity.

Bringing impact to those we serve

Regional Solutions

We provide training and contracted services to support school districts, government agencies, and nonprofits in our regional service area of Minnesota's Cass, Crow Wing, Morrison, Todd, and Wadena counties.

Here's how we organize and align our teams to maximize how we deliver on our mission, vision, and values.



Central Services

Sourcewell leverages a centralized service model to create cross-team synergy and avoid duplication of staff and resources. Central Services teams include finance, procurement, administration, facilities, human resources, legal and government relations, operations, technology, and marketing.

Enterprise Solutions

We serve education and government agencies both inside and outside of our five-county service area. Solutions like cooperative purchasing help public agencies meet their goals and provide Sourcewell with self-sustaining funding for operations and regional support.

Regional Solutions Team

We walk alongside our partners to boost student and community success. Our regional programs and services support school districts, government agencies, and nonprofits in our service area of Minnesota's Cass, Crow Wing, Morrison, Todd, and Wadena counties.

Highlights from 2022-23



Completion and pilot of the Effective Schools Blueprint, a process to support schools in comprehensive planning and measuring impact.



Full launch and growth of Ed Soul, a podcast for educators, by educators, that offers insights, techniques, and strategies that can be put into practice right away in K-12 classrooms.



Completion of the Communities of Excellence community profile, a comprehensive and collaborative scan of the challenges and opportunities in the region.



Boosted capacity for collaboration around key regional mental health opportunities and challenges with the addition of a Mental Health Coordinator.

What to watch for in 2023-24



Developing future regional mental health strategies.



Defining and aligning Sourcewell's key impact measures, including Communities of Excellence efforts, to provide a contextualized and comprehensive view of impact in the five-county service area.



Creating regional work groups around Communities of Excellence priorities (mental health, workforce, social cohesion).



Developing and piloting a regional dashboard to empower schools with data to boost student career and college readiness and encourage cross-district collaboration.



The Education Solutions team at Sourcewell introduced season one of the Ed Soul Podcast in 2022 — a podcast created by educators for educators.



Sourcewell



Sourcewell

Sourcewell staff travel the country sharing how public agencies and schools use cooperative purchasing to do more with less.

Enterprise Solutions Team

We provide public agencies throughout the United States and Canada access to hundreds of competitively solicited cooperative contracts, education technology solutions for schools, and emerging solutions for public entities.

Highlights from 2022-23



Surpassed \$7.9 billion in contract sales volume, up 27% from 2021-2022.



Managed over 650 cooperative purchasing contracts.



Expanded the Insurance Solutions Portfolio by launching 25 new benefits and insurance contracts.



Served over 40,000 public agencies throughout the country.



Completed the successful pilot of Installation Support Program, an initiative to help military installations quickly and effectively procure the items they need.

What to watch for in 2023-24



Adding staff focused on working with contracted suppliers to enhance engagement.



Increasing focus on the area of risk, insurance, and benefits to grow the number of cooperative contracts to 70 suppliers.



Connecting with more agencies to drive new and repeat contract use by increasing the number of team members assigned to key accounts.



Expanding the number of partnerships and events to support continued growth.



Continuing to innovate and refine the procurement process to serve more participating agencies and to pursue another Achievement of Excellence in Procurement® Award.

Central Services Team

The teams that make up Central Services act as a shared resource for the Regional Services and Enterprise Solutions teams. We believe there is synergy and efficiency by providing centralized internal support for the entire organization in areas such as finance, procurement, administration, facilities, human resources, legal and government relations, operations, technology, and marketing.

Highlights from 2022-23



Celebrated the completion of a new multimedia studio at the Staples campus.



Enhanced tools for a remote workforce and boosted the robustness of security posture, including multifactor authentication.



Earned an eighth consecutive Achievement of Excellence in Procurement® Award from the National Procurement Institute, Inc.



Received a clean audit from third party auditors for the fourth consecutive year.

What to watch for in 2023-24



Completing the initial phase of a multiyear content and knowledge management project focused on increasing internal efficiencies.



Creating systems and processes to develop and sustain a high-performing, healthy, multistate workforce.



Empowering smart work through the creation of standardized processes that weave change management into workplace culture.



Launching Continuous Improvement training and methodology for all employees to seek opportunities for improvement, empower teams to improve processes, and impact customers externally and internally.



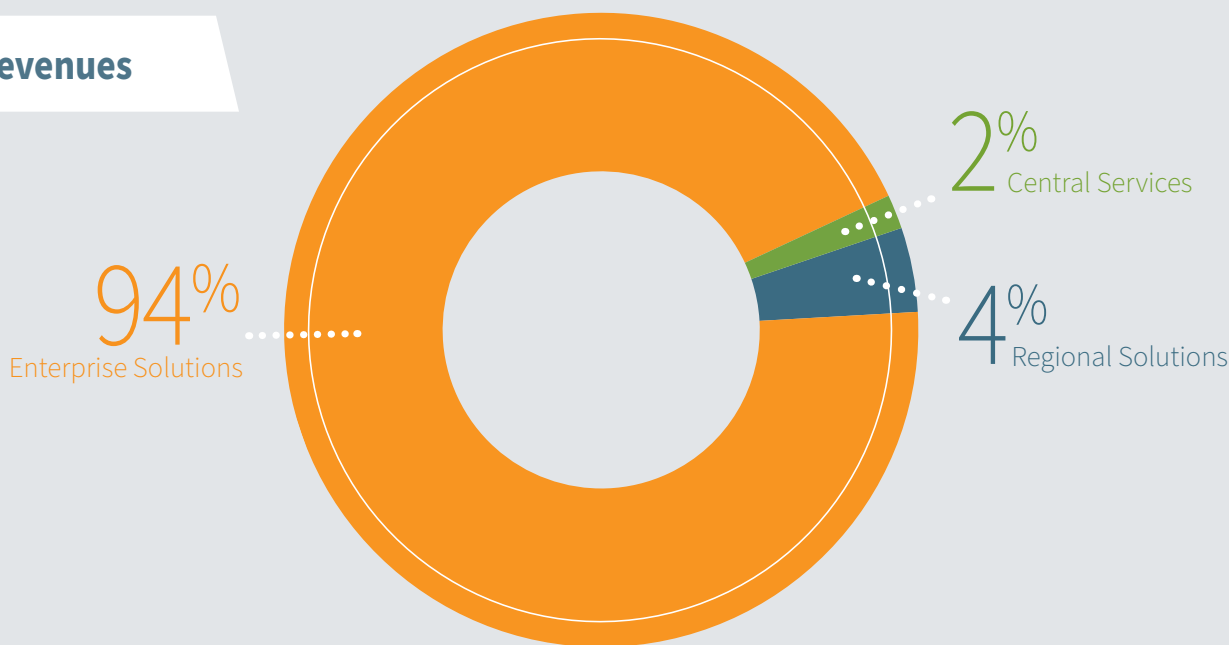
Sourcewell celebrated the completion of a state-of-the-art multimedia studio in 2022. This studio enables Sourcewell's teams to better serve organizations across the country from Staples, Minnesota.

Financials

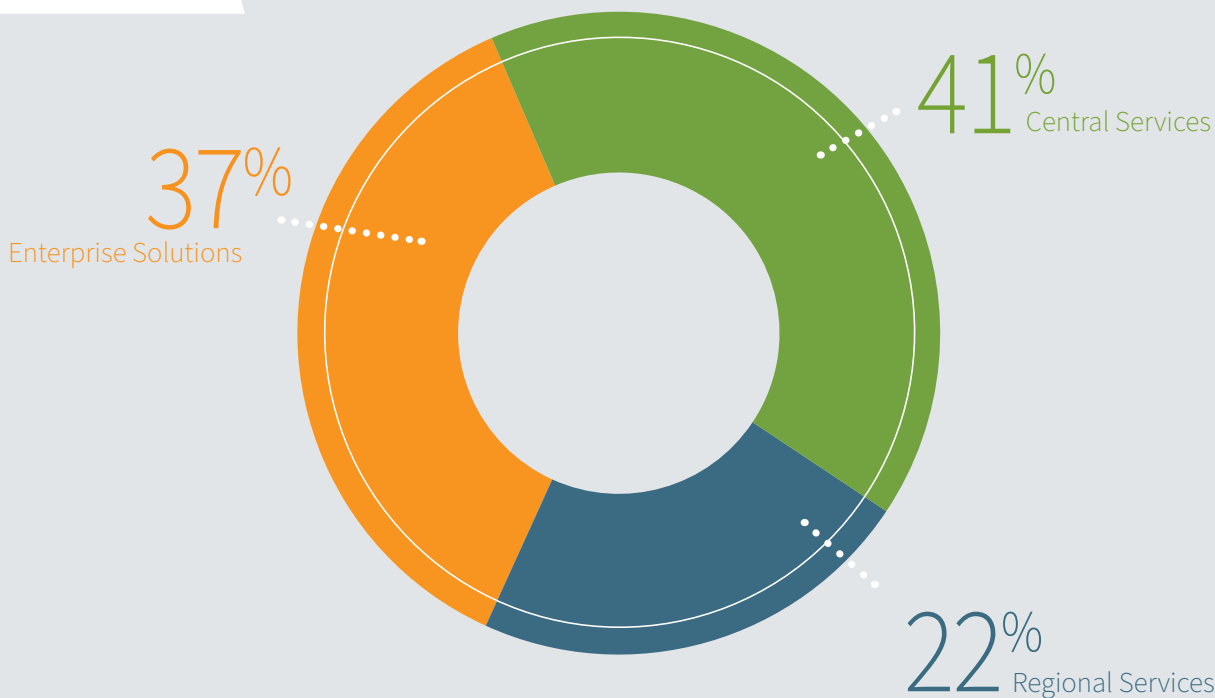
Fiscal year 2022-23

Sourcewell operates an \$86 million budget. The information below represents actual overall revenue and expenses for the fiscal year.

Revenues



Expenses



Stewardship & Sustainability

Sourcewell is committed to partnering with public entities to boost student and community success. In 2022-23, over \$14 million was spent in regional, state, and national services. More than \$22 million has been budgeted for fiscal year 2023-24 to be strategically reinvested in our region, state, and throughout the country.

Regional programming and services

Sourcewell supports educators and leaders in local government and nonprofit organizations throughout our five-county service area by providing professional development, contracted services, funding, internship reimbursement, facility construction, and more.

2022-23 — \$10.5 million spent

2023-24 — \$15.9 million budgeted

Strategic statewide services and national partnerships

By working with multiple state associations and the eight other service cooperatives in Minnesota, we can multiply our collective impact on people beyond the boundaries of our service area.

On a national level, Sourcewell supports education and government professionals to help them better serve their communities by collaborating with national trade associations.

These associations include the School Superintendents Association (AASA), Institute for Public Procurement (NIGP), fire chiefs associations, and numerous others.

2022-23 — \$4.2 million spent

2023-24 — \$6.2 million budgeted



Members of the current Sourcewell Board of Directors and ex-officios play a crucial role in shaping the programs and services Sourcewell offers. Not pictured above: Chris Kircher.

Governance

Sourcewell is a Minnesota Service Cooperative and local public government agency, established by Minnesota Statute § 123A.21, to provide programs and services to other education and governmental agencies. Sourcewell was established with the statutory purpose to assist public agencies in meeting needs that are more efficiently delivered cooperatively than by an entity individually.

Sourcewell is a government agency consisting of representatives from voting member government units. Voting members are statutorily limited to public school districts, cities, counties, and other government units within the geographically defined region consisting of the counties of Cass, Crow Wing, Morrison, Todd, and Wadena in north central Minnesota.

The care, management, and control of Sourcewell are vested in a board of directors. The board of directors consists of eight members and is comprised of elected officials, including six school board members, one county commissioner, and one mayor. The board is vested with broad authority to maintain and operate the organization, including the authority to employ staff, define programs and services, and maintain all other powers necessary to carry out the duties as delegated to it by statute and Sourcewell's members.

Board of directors

Sub-Region I

School districts: Bertha-Hewitt, Browerville, Freshwater Education District, Long Prairie-Grey Eagle, Menahga, Sebeka, Staples-Motley, Verndale, Wadena-Deer Creek



Julia Kicker

julia.kicker@sourcewell-mn.gov

Term expiration: 12/31/2026



Sharon Thiel

sharon.thiel@sourcewell-mn.gov

Term expiration: 12/31/2025

Sub-Region II

School districts: Cass Lake-Bena, Crosby-Ironton, Northland Community, Pequot Lakes, Pillager, Pillager Area Charter School, Pine River-Backus, Walker-Hackensack-Akeley



Linda Arts

linda.arts@sourcewell-mn.gov

Term expiration: 12/31/2023



Sara Nagel

sara.nagel@sourcewell-mn.gov

Term expiration: 12/31/2026

Sub-Region III

School districts: Brainerd, Little Falls, Mid-State Education District-Little Falls, Pierz, Royalton, Swanville, Upsala



Chris Kircher

chris.kircher@sourcewell-mn.gov

Term expiration: 12/31/2023



Douglas Dalberg

douglas.dahlberg@sourcewell-mn.gov

Term expiration: 12/31/2024

Sub-Region IV

City County Other Governmental Agency (CCOGA) organizations: Cities: Baxter, Brainerd, Breezy Point, Browerville, Clarissa, Crosslake, Emily, Little Falls, Long Prairie, Menahga, Nisswa, Pierz, Pine River, Royalton, Sebeka, Staples, Verndale, Wadena; Counties: Cass, Crow Wing, Morrison, Wadena; Government Agencies: Central Lakes College, MN State Comm. & Tech College, Region 5 Development Commission



Steven Barrows

steve.barrows@sourcewell-mn.gov

Term expiration: 12/31/2025



Greg Zylka

greg.zylka@sourcewell-mn.gov

Term expiration: 12/31/2024

Sourcewell receives guidance and input on services and solutions from the communities served through various groups, including:

- › Board of Trustees
- › Community Solutions Advisory Group
- › Procurement Advisory Committees
- › Labor Management Committee
- › School Superintendents Advisory Group
- › Supplier Advisory Committee

Guiding authority

State statute outlines programs and solutions that service cooperatives may provide to support government, education, and nonprofit entities. Sourcewell programs align within several of these areas:

Administrative Services

- Social services management
- Financial reporting
- Consulting

Community Services

- Community Impact Funding
- Grant writing
- Emergency preparedness
- Community Match Funding
- Internships
- Nonprofit support

Health & Safety

- Regional safety groups

Procurement

- Cooperative purchasing

Professional Development

- Leadership training
- Instruction
- Educational leadership

Risk Management

- Health insurance
- Life insurance
- Supplemental wellness insurance
- Employee wellness

Shared Time Programming

- Zoning
- Contract coordination
- Executive recruitment
- Consulting
- Licensing

Student Academics


- Low incidence disability services
- Spelling Bee
- Knowledge Bowl

Teaching & Learning

- Consulting
- Leadership training
- Assessment
- Curriculum
- Career and College Readiness

Technology

- Training
- Support
- Data management and security
- Educational software



“I’m proud of the
strides we’re making to
work towards a future
that’s strong, diversified,
and continuously
delivering quality impact
for those we serve.”

— Dr. Chad Coauette
Sourcewell Executive Director/CEO



In 2022-23, Sourcewell reinvested more than \$10 million in its five-county service area, including funding for public safety equipment and initiatives.

Get to know us

FAQs about Sourcewell

Q. Who is Sourcewell?

- A. Sourcewell is a public government agency charged with offering impactful programs for schools and communities. We're here to help local government and schools do collectively what they couldn't do individually, with a mission to be a force multiplier for the entities we serve.

Q. Whom does Sourcewell serve?

- A. Sourcewell partners with other public agencies, school districts, and nonprofits to fund regional projects and initiatives that fall within the scope of Sourcewell's enabling statute and serve a public purpose. These collaborations allow Sourcewell to assist other governmental entities in achieving together what may be difficult to achieve individually.

Q. Who are Sourcewell's local partners?

- A. To broaden the impact of our work to build strong, healthy communities, we partner with other groups and organizations. Within our region, we frequently partner with the Region 5 Development Commission (R5DC) and the Initiative Foundation. These organizations have their own boards and serve their own mission locally. We are an independent government organization and have our own board of directors comprised of publicly elected officials.

Q. How does Sourcewell decide what programs to offer in its central-Minnesota service region?

- A. Sourcewell is a regional, statewide, and national catalyst helping public agencies and schools accomplish collectively what they can't accomplish alone. We have regional advisory groups, offer surveys, and stay connected through our everyday work to meet the needs and objectives of our member entities. We build solutions and offerings alongside them that scale to serve the whole region with solutions that help them meet their objectives.

Get to know us

FAQs about Sourcewell continued

Q. What is Sourcewell's leadership role in its central-Minnesota service region?

A. Sourcewell's purpose is to be a supporting actor for local public agencies and schools in Cass, Crow Wing, Morrison, Todd, and Wadena counties. Every public agency has its own locally elected boards that serve at the will of their communities. Each public agency and school listens to its community and constituents and makes a plan for their future. We aggregate the regional trends and plan our collaborative support for their success around their identified needs.

Our governing board is made up of elected officials serving schools and government in our region. They must first be elected to a public board or council through a general election process. As elected officials overseeing a school or public entity, they are then eligible to run for election to the Sourcewell board of directors and are chosen by other elected peers. Our constituents, the entities we answer to and serve, are their districts, cities, counties, and other government agencies.

Q. Beyond programs and program staff, how does Sourcewell reinvest in its central-Minnesota service region?

A. Sourcewell is allowed to provide funding to other public agencies, school districts, and nonprofits on projects and initiatives that fall within the scope of the Minnesota service-cooperative-enabling state statute and serve a public purpose. Part of our purpose is to partner with other government or education entities to provide collaborative ways to achieve together what it might be more difficult to achieve alone. Sourcewell's ability to reinvest is made possible through a national cooperative purchasing program.



Over 20 new benefit and insurance contracts were launched in 2022-23, including infertility support and resources that help families like the Massopusts.

Sourcewell: we are driven to serve

Who is Sourcewell?

Sourcewell is a local unit of government and the regional service cooperative for Cass, Crow Wing, Morrison, Todd, and Wadena counties. As a service cooperative, we're a self-sustaining public government agency charged by Minnesota state statute to partner with education, government, and nonprofits to boost student and community success.

Locally, we deliver training and contracted services. Statewide, we manage a self-funded group health insurance option for public agencies. Throughout the United States and parts of Canada, we offer a cooperative purchasing program and technology solutions for schools. Sourcewell staff aim to be force multipliers, empowering public employees as they fulfill their public service mission.

Our core services

- Cooperative Purchasing
- Community Solutions
- Education and Career and College Readiness
- Regional Low Incidence Project
- Insurance and Employee Benefits
- Technology Solutions for Schools

